APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/849,064	05/04/2001	Thomas M. Westerkamp	PNI 001 P2	8169

29673 7590 01/19/2006	**EXAMINER**	
STEVENS & SHOWALTER LLP	GOTTSCHALK, MARTIN A	
7019 CORPORATE WAY	**ART UNIT**	**PAPER NUMBER**
DAYTON, OH 45459-4238	3626	

DATE MAILED: 01/19/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)
	09/849,064	WESTERKAMP ET AL.
	Examiner	Art Unit
	Martin A. Gottschalk	3626

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☒ Responsive to communication(s) filed on <u>04 May 2001</u>.

2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☐ Claim(s) *1-22* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☒ Claim(s) *1-22* is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☒ The specification is objected to by the Examiner.

10) ☒ The drawing(s) filed on <u>07/16/2001</u> is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a) ☐ All b) ☐ Some * c) ☐ None of:

        1. ☐ Certified copies of the priority documents have been received.

        2. ☐ Certified copies of the priority documents have been received in Application No. _____.

        3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date <u>07/09/2001</u>.

4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .

5) ☐ Notice of Informal Patent Application (PTO-152)

6) ☐ Other: _____ .

DETAILED ACTION

1.   Claims 1-22 have been examined.

Specification

1.   Applicant is reminded of the proper language and format for an abstract of the disclosure.

The abstract should be in narrative form and generally limited to a single paragraph on a separate sheet within the range of 50 to 150 words. It is important that the abstract not exceed 150 words in length since the space provided for the abstract on the computer tape used by the printer is limited. The form and legal phraseology often used in patent claims, such as "means" and "said," should be avoided. The abstract should describe the disclosure sufficiently to assist readers in deciding whether there is a need for consulting the full patent text for details.

The language should be clear and concise and should not repeat information given in the title. It should avoid using phrases which can be implied, such as, "The disclosure concerns," "The disclosure defined by this invention," "The disclosure describes," etc.

A.   In the case of the present abstract, it exceeds 150 words and repeats information

provided in the title.

Claim Rejections - 35 USC § 112

2.   The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3.   Claim 4 recites the limitation "...the flashpoint operator...". There is insufficient

antecedent basis for this limitation in the claim.

Claim Rejections - 35 USC §101

4.   35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requires of this title.

5.   Claims 1-6 and 13-15 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

(1) whether the invention is within the technological arts; and

(2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, the cited claims recite methods that could be implemented without the use of a technology component. In the exemplary case of claim 4, the claim recites a "centralized management unit" which could possibly constitute a computer system, but could also comprise merely a person or persons.

Claim Rejections - 35 USC § 102

6.   The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that

form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

7.   Claims 1-6, and 13-14 are rejected under 35 U.S.C. 102(b) as being anticipated

by Garcia (US Pat# 5,065,315, hereinafter Garcia).

A.   As per claim 1, Garcia discloses a method for managing a healthcare patient

account lifecycle comprising the steps of:

identifying a plurality of flashpoints corresponding to defined operations in the

patient account lifecycle (Garcia: Fig. 1, see for example items labeled "Doctor's Office",

"Admitting Office", "Discharge Planning"; col 3, lns 41-46);

providing an output at said plurality of flashpoints, said outputs comprising a

control report (Garcia: Fig. 1, see item labeled "Reports"); and

converting at least one control report from a first flashpoint into an input for a

subsequent flashpoint (Garcia: col 4, lns 2-12; col 5, lns 48-53),

the input for a subsequent flashpoint including at least one of

a checklist (Garcia: Appendix III, col 8, 23-38)

B.   As per claim 2, Garcia discloses the method of claim 1 wherein said flashpoints

include

patient contact events comprising

a pre-registration phase (Garcia: Fig. 1, item 22; col 3, lns 60-63, reads on

"...doctor's office..."),

an admission/registration phase (Garcia: Fig. 1, item 18, col 3, ln 66 to col

5, ln 42),

an in-house phase (Garcia: Fig. 1, items 12 and 14; col 5, ln 43 to col 7, ln

58), and

a discharge phase (Garcia: Fig. 1, item labeled "Discharge Planning"; col

7, ln 59, to col 9, ln 3).

C.   As per claim 3, Garcia discloses the method of claim 1 wherein said flashpoints

include

post-discharge events comprising

a suspense phase (see next item, billing phase),

a billing phase (Garcia: Fig. 1, item labeled "Billing". The Examiner notes

that many patients have their hospital bills paid by a third party payer, thus bills

are not presented on discharge, but rather are mailed or otherwise submitted to

the payer. The Examiner respectfully submits that any lag time between the

discharge and bill submission constitutes a "suspense phase". Once the bill to

the payer is sent, if the bill is not immediately paid, the Examiner respectfully

submits that this would constitute the commencement of a follow-up/collections

phase), and

a follow-up/collections phase (see previous item, billing phase).

D.   As per claim 4, Garcia discloses the method of claim 1 wherein

data from each flashpoint is output to a centralized management unit, said

centralized management unit

adding missing data in the form of an edit (Garcia: col 4, lns 28-34, note

that preprogrammed information is added if is missing.)

or

returning a checklist to the flashpoint operator with alerts to obtain said

missing data.

E.   As per claim 5, Garcia discloses the method of claim 4 further comprising

a centralized manager who generates control reports (Garcia: col 4, lns 46-51,

reads on data entry operator),

said control reports being used to highlight missing data required for

obtaining payment from a payor (Garcia: 7: 53-58, reads on "...additional

physician information..."),

and who obtains said missing data from a source outside the centralized

management unit (Garcia: col 4, lns 34-46).

F.   As per claim 6, Garcia discloses the method of claim 5 wherein said source

outside the centralized management unit comprises at least one of

healthcare provider (Fig. 3, col 37-36).

G.   As per claim 13, Garcia discloses the method in claim 4 further comprising

outputting operating reports from the centralized management unit

detailing the performance of the method for managing a patient account lifecycle

(Garcia: col 3, lns 14-18) and

providing information for analysis of the performance of the method whereby

improvements can be traced to particular flashpoints and operators requiring additional

training or support (Garcia: col 3, lns 11-14, reads on "...reporting the results of the

services administered to each patient...").

H.   As per claim 14, Garcia discloses the method of claim 13 further comprising pre-

determined standards for comparison to determine the level of performance of the

centralized management unit (Garcia: col 4, lns 58-64; col 8, lns 64-67).

Claim Rejections - 35 USC § 103

8.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

9.   The factual inquiries set forth in *Graham* v. *John Deere Co.*, 383 U.S. 1, 148

USPQ 459 (1966), that are applied for establishing a background for determining

obviousness under 35 U.S.C. 103(a) are summarized as follows:

  1.   Determining the scope and contents of the prior art.
  2.   Ascertaining the differences between the prior art and the claims at issue.
  3.   Resolving the level of ordinary skill in the pertinent art.
  4.   Considering objective evidence present in the application indicating obviousness or nonobviousness.

10.   Claim 7-9, 11, and 16 are rejected under 35 U.S.C. 103(a) as being unpatentable

over Garcia as applied to claim 4 above, and further in view of Filler (US PG Pub#

2001/0051881, hereiafter Filler).

A.   As per claims 7-9, Garcia discloses the method of claim 4 comprising

(claim 7)   a communications network between the centralized management unit and

        a healthcare provider (Garcia: col 10, lns 15-20)

        Garcia fails to disclose

              a plurality of encryption devices located in said communications network,

        said encryption devices establishing an encrypted session over the

        communications network and including

              a means for authenticating remote managers in the central management

        unit whereby the central management unit can manage patient lifecycle

        accounts.

(claim 8)   the method of claim 7 wherein said communications network comprises

the Internet.

(claim 9)   the method of claim 7 wherein said encryption device comprises a firewall

VPN router.

However, these features are well known in the art as evidenced by the teachings

of Filler.

Filler teaches a system and method for managing a medical services network

that includes a plurality of encryption devices and means for authenticating remote

users (Filler: [0016], encryption devices reads on "VPN" – see also Fig. 20B, item

labeled VPN Firewall - and "SSL-class security", means for authenticating reads on

"password access").

It would have been obvious to one of ordinary skill in the art at the time of the

invention to incorporate the teachings of Filler within the system of Garcia with the

motivation of providing a single repository of patient information enabling sharing of the

data amongst the various health care and diagnostic services providers who might need

to access the data, but who are often located at remote locations from one another

(Filler: [0003]).

B.   As per claim 11, Garcia fails to disclose the method of claim 4 comprising an

encrypted communications network between the centralized management unit

and the healthcare provider,

a web browser,

a database management system, and

a software application, and

including the step of using said software application via the web browser over the

encrypted communications network to store patient account data in the database

management system whereby a healthcare provider can outsource any portion or all of

its patient accounts for management by the centralized management unit.

However, these features are well known in the art as evidenced by the teachings

of Filler who discloses a method comprising

encrypted communications network between the centralized management unit

and the healthcare provider,

a web browser (Filler: [0056]; [0060]),

a database management system (Filler: [0018]), and

a software application (Filler: [0018]-[0019]), and

including the step of using said software application via the web browser over the

encrypted communications network to store patient account data in the database

management system whereby a healthcare provider can outsource any portion or all of

its patient accounts for management by the centralized management unit (Filler: [0016]

– [0021]; Figs. 1 and 2]).

The motivation to combine the teachings of Garcia and Filler are the same as

provided above for claim 7, and are incorporated herein.

C.   As per claim 16, Garcia fails to disclose the method of claim 7 further comprising

a database management system in the centralized management unit wherein the

healthcare provider transfers a portion of post-discharge patient accounts for

management by the centralized management unit,

said centralized management unit using the communications network to update

the healthcare provider's patient account system directly whereby the centralized

management unit is not required to maintain and coordinate a duplicate set of patient

accounts.

However, this feature is well known in the art as evidenced by the teachings of

Filler.

Filler discloses a d atabase system holding patient account information

transferred from remote health providers, allowing other providers to access to the

updated data (Filler: [0016] – [0021]). There is no requirement for the database system

to maintain a duplicate set of accounts.

The motivation to combine the teachings of Garcia and Filler are the same as

provided above for claim 7, and are incorporated herein.

11.   Claims 10 and 12 are rejected under 35 U.S.C. 103(a) as being unpatentable

over Garcia in view of Filler as applied to claims 7 and 11 above, respectively, and

further in view of Yu et al (US Pat# 5,930,804, hereinafter Yu).

A.   As per claims 10 and 12, Garcia fails to disclose the methods of claims 7 and 11

respectively wherein the encrypted communications network comprises

(claim 12)   a secure sockets layer,

(claim 12)   the Internet.

However, these features are well known in the art as evidenced by the teachings

of Filler (Filler: [0016]; [0051])

The motivation to combine the teachings of Garcia and Filler are the same as

provided above for claim 7, and are incorporated herein.

Garcia and Filler fail to disclose

(claims 10 and 12)   digital certificates for authentication to authenticate

managers in the centralized management unit.

However, this feature is well known in the art as evidenced by the teachings of

Yu.

Yu discloses the use of digital certificates to authenticate users of web-based

applications (Yu: col 12, lns 33-42).

It would have been obvious to one of ordinary skill in the art at the time of the

invention to combine the teachings of Yu with the combined teachings of Garcia and

Filler with the motivation of providing enhanced computer security beyond password-

only authentication (Yu: col 2, lns 48).

12.   Claim 15 is rejected under 35 U.S.C. 103(a) as being unpatentable over Garcia

as applied to claim 14 above, and further in view of Zimmerman et al (Zimmerman,

Robert M., Kaufman, Robert M., Finerty, Gregory S., Egan, James O., Retail Accounting

and Financial Control, Fifth Edition, John Wiley & Sons, USA, 1990, chapters 5, 14, 26,

and 27; hereinafter Zimmerman.).

A.   As per claim 15, Garcia fails to explicitly disclose the method of claim 14 wherein

said standards comprise

Gross Accounts Receivable Days by Financial Class, Accounts Receivable

Balance by Financial Class, Average Daily Revenue by Financial Class, Cash Variance,

Unbilled Accounts Balance, Unbilled Days, Bad-Debt Write-Off Balance, Bad-Debt

Recoveries, Credit Balance, and Average Daily Revenue by Service.

However, these features are well known in the art as evidenced by the teachings

of Zimmerman.

Zimmerman discloses the well known practice of accounts receivables

management including control reports that apply relevant parameters (Zimmerman: ch.

14, Exhibit 14. 1 in particular), including those related to accounts receivable from the

list in claim 15. Zimmerman also discloses the importance of having current knowledge

of revenue across a variety of sales categories (Zimmerman: ch. 5, pg 33, first two

paragraphs; pg. 35, section on "Levels of Detail"). Zimmerman further discloses the

importance of daily cash budgeting (Zimmerman: ch. 26, pg. 327, first paragraph), and

the importance of monitoring variance from the forecast so as to make timely

adjustments (Zimmerman: ch. 27, pg. 332, last paragraph).

It would have been obvious at the time of the invention to incorporate the

teachings of Zimmerman into the system and method of Garcia with the motivation of

maximizing the cash balance available to an entity and to ensure those balances are used as effectively as possible (Zimmerman: ch. 26, pg. 315, second paragraph).

13.   As per claims 17-22 they are system claims which repeat the same limitations of claims 7, 1, 11, 8, 9, and 10, the respective corresponding method claims, as a collection of elements as opposed to a series of process steps. Since the teachings of Garcia, Filler, and Yu disclose the underlying process steps that constitute the methods of claims 7, 1, 11, 8, 9, and 10, it is respectfully submitted that they provide the underlying structural elements that perform the steps as well. As such, the limitations of claims 17-22 are rejected for the same reasons given above for claims 7, 1, 11, 8, 9, and 10.

Conclusion

14.   The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. The cited but not prior art discloses automated patient record systems using various types of security techniques (US Pat#s 6,012,035 and 5,933,809).

15.   Any inquiry concerning this communication or earlier communications from the examiner should be directed to Martin A. Gottschalk whose telephone number is (571) 272-7030. The examiner can normally be reached on Mon - Fri 8:30 - 5.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, Joseph Thomas can be reached on (571) 272-6776. The fax phone number

for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the

Patent Application Information Retrieval (PAIR) system. Status information for

published applications may be obtained from either Private PAIR or Public PAIR.

Status information for unpublished applications is available through Private PAIR only.

For more information about the PAIR system, see http://pair-direct.uspto.gov. Should

you have questions on access to the Private PAIR system, contact the Electronic

Business Center (EBC) at 866-217-9197 (toll-free).

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08/06/2005
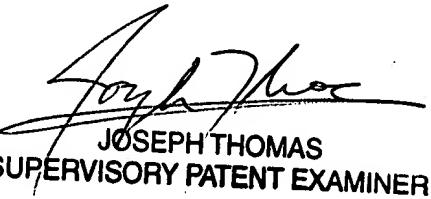
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